

## MASSACHUSETTS ELECTRIC COMPANY

### PERFORMANCE STANDARDS UNDER RETAIL ACCESS TARIFFS

Under the retail access tariffs, the Company shall establish performance standards reliability and customer service. The standards are designed as a penalty-only approach, under which the Company would be penalized if its performance did not meet the standards, and there would be no reward for performance which exceeds the standard. The standards are set based on averages of historic data, as shown on page 3 of this Attachment. In the event that the Department establishes additional performance standards or performance standards for reliability and customer satisfaction for all electric utilities in Massachusetts that are more stringent than the standards set forth below, then Mass. Electric shall implement the additional or more stringent standards.

#### SERVICE RELIABILITY PERFORMANCE STANDARD

The Service Reliability Performance Standard shall be set at a duration of outages per customer served of **105 minutes**. An outage is defined as the loss of electric service to more than one customer for more than one minute. The duration per customer served is the total length of time in minutes that an average customer is without service per year. Excluded from reliability measurements are extraordinary events such as severe storms and load shedding events resulting from generation or transmission problems. An event excluded from reliability measurements must meet one of the following criteria:

- The event resulted in customer outages that represent more than ten percent (10%) of the customers in a district at any given time during the event;
- The outages resulting from the event were as a result of the failure of other companies' supply or transmission to Massachusetts Electric Company customers and restoration of service was beyond the control of the Company and its employees;
- The circumstances of the event were extraordinary, such as major disasters, earthquakes, wildfires, floods, hurricanes, tornadoes, ice storms, wind storms or other weather events beyond the control of the Company.

The schedule of customer credits under the Service Reliability Performance Standard is as follows:

<u>Duration of Outages (minutes)</u>	<u>Customer Credit</u>
up to 105	\$0
106 to 112	\$125,000
113 to 118	\$250,000
119 to 124	\$500,000
more than 124	\$1,000,000

#### CUSTOMER SERVICE PERFORMANCE STANDARD

The Customer Service Performance Standard shall be set at a customer satisfaction level of **85 percent**. The Company will commission annual surveys of its customers to determine their overall level of satisfaction with the Company. The Company's measurement of customer satisfaction under this standard shall be based on the percentage of responses in the top three categories of customer satisfaction under a seven point scale (1 = poor and 7 = excellent).

The schedule of customer credits under the Customer Service Performance Standard is as follows:

<u>% of Responses in Top Three Categories (5, 6, 7)</u>	<u>Customer Credits</u>
less than 76%	\$1,000,000
76% to 78%	\$500,000
79% to 81%	\$250,000
82% to 84%	\$125,000
85% or more	\$0

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